

Lucid Diagnostics Inc.

Q4 revenue about inline and Lucid IPO completed. Expected high growth in 2022 should drive stock much higher. Lowering P/T to \$15.

Q4 revenue about inline: Lucid recently (on March 28) reported its Q4 2021 (ending December) results. Revenue was \$0.3 million, compared with our and consensus estimates of \$0.4 – 0.8 million. Pro forma net loss was \$7.8 million or EPS of \$(0.22), compared with our and consensus estimates of \$(0.14) - (0.20). Lucid is still early in its commercialization so it generates minimal revenue currently, but revenue is expected to grow significantly in 2022.

EsoGuard growth: The company processed 303 EsoGuard tests in Q4, versus 203 in Q3 and 202 in Q2. This is the second quarter Lucid has finally started to recognize revenues.

Operating expenses: Operating expenses were \$11 million, up from \$7 million in Q3 2021 as it ramps up Lucid commercial operations.

No guidance: Management has not provided forward guidance.

Adjusting 2022 estimates: We are adjusting our 2022 estimates for revenues to \$6.0 million, from \$7.0 million, and for EPS to \$(0.80) from \$(0.55).

EsoGuard: EsoGuard is a molecular diagnostic esophageal DNA test shown in a published human study to be highly accurate at detecting Barrett's Esophagus (BE), as well as EAC. The estimated addressable domestic market opportunity for EsoGuard is ~\$2 billion based on tens of millions of U.S. patients with gastroesophageal reflux disease (GERD), more commonly called acid reflux or chronic heartburn, who are BE screening candidates.

EsoCheck: EsoCheck is a non-invasive cell collection device designed to sample cells from a targeted region of the esophagus in a five-minute office-based procedure, without the need for endoscopy. EsoCheck is meant to be used for testing with its EsoGuard tests.

Ramp in commercialization can be catalyst: Initial revenue for Lucid was reported in its Q3 2021. Its near term plans over the next couple of years is to advance commercialization of its 2 main products (EsoGuard and EsoCheck) as well as gain additional regulatory approvals (expand usage and insurance and government coverage in the U.S. and to expand into international markets). We believe achieving key milestones and ramp in revenues will likely be catalysts for the stock.

Strong rollout: Lucid is launching a major commercial initiative to accelerate EsoGuard commercialization by targeting multiple sales and marketing channels and building Lucid's own network of EsoCheck Test Centers to assure sufficient testing capacity and geographic coverage. The Test Center program has quickly expanded to locations in Phoenix, Denver, Salt Lake City, Las Vegas, Seattle, Portland, and Boise. Lucid is now launching an accelerated expansion into larger states across the U.S.

Large market potential: Cancer is the 2nd leading cause of death in the U.S. (behind heart disease) with ~600,000 deaths a year. The incidence of EAC, the most common cancer of the esophagus, has quadrupled over the past 30 years.

Solid balance sheet: In October (Q4), Lucid raised ~\$70 million in its IPO selling stock so its balance sheet is solid.

Lucid IPO completed: In October, Lucid had its IPO and sold 5.0 million shares of its common stock at \$14/share, raising ~\$70 million. PAVmed still owns 76% of Lucid (was 73% pre-IPO), and Lucid's financials will continue to be consolidated into PAVmed's financials.

Positive high risks versus high rewards: Lucid's devices still have long commercialization challenges ahead, but we believe the ~billion dollars market potential presents high rewards for the risks.

Current valuation attractive: We are maintaining our BUY rating, but lowering our 12-month price target to \$15 from \$16 based on a NPV analysis. This represents significant upside from the current share price and we believe this valuation appropriately balances out the company's high risks with large upside opportunities.

Company Description

Based in New York, NY, Lucid Diagnostics is a commercial-stage medical diagnostics company focused on patients at risk of developing esophageal cancer.

COMPANY UPDATE

Rating: **BUY**

Ticker: LUCD

Price: \$2.46

Target: \$15.00
(from \$16.00)

Stock Data

Exchange:	NasdaqGM
52-week Range:	\$2.31 – 13.52
Shares Outstanding (million):	37
Market cap (\$million):	\$91
EV (\$million):	\$37
Debt (\$million):	\$0
Cash (\$million):	\$54
Avg. Daily Trading Vol. (\$million):	\$1
Floater (million shares):	8
Short Interest (million shares):	0.5
Dividend, annual (yield):	\$0 (NA%)

Revenues (US\$ million)

	<u>2022E</u> (Cur.)	<u>2022E</u> (Old)	<u>2023E</u> (Cur.)	<u>2023E</u> (Old)
Q1 Mar	0.4E	1.0E	4.0E	
Q2 Jun	0.6E	1.5E	4.2E	
Q3 Sep	1.2E	1.5E	4.4E	
Q4 Dec	<u>3.8E</u>	<u>3.0E</u>	<u>5.4E</u>	
Total	6.0E	7.0E	18.0E	
EV/Revs	6x		2x	

Earnings per Share (pro forma)

	<u>2022E</u> (Cur.)	<u>2022E</u> (Old)	<u>2023E</u> (Cur.)	<u>2023E</u> (Old)
Q1 Mar	(0.22)E	(0.15)E	(0.17)E	
Q2 Jun	(0.22)E	(0.14)E	(0.16)E	
Q3 Sep	(0.20)E	(0.15)E	(0.16)E	
Q4 Dec	<u>(0.16)E</u>	<u>(0.12)E</u>	<u>(0.15)E</u>	
Total	(0.80)E	(0.55)E	(0.65)E	
P/E	N/A		N/A	

Important Disclosures

Ascendant Capital Markets LLC seeks to do business with companies covered by its research team. Consequently, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making an investment decision.

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 14.

Exhibit 1: PAVmed Company Overview



Lucid is a Major Subsidiary of PAVmed Inc.



Nasdaq: PAVM

A Highly Differentiated Multi-Product Commercial-Stage Medical Technology Company



Founded 2014



Nasdaq IPO 2016



Diversified Product Portfolio



Groundbreaking Technologies Addressing Important Unmet Clinical Needs



Business Model Focused on Speed to Market

8



Nasdaq: PAVM

Innovation & Value Creation Engine

Internal Innovation >>>

License or Acquire >>>



Products ≡



Source: Company reports

Exhibit 2: PAVmed's Major Subsidiaries



Major Subsidiaries

Diagnostics

Lucid
diagnostics

Early Detection of Esophageal Precancer & Cancer

- Commercial-stage
- Founded May 2018
- Licensed technologies from Case Western Reserve University
- Managed and financed by PAVmed
- PAVmed Stake = 75.5%
- IPO Oct 14, 2021 (Nasdaq: LUCD)

Digital Health

VERIS
HEALTH

Digital Cancer Care Platform & Intelligent Vascular Port

- Founded May 2021 with acquisition of Oncodisc, Inc. and its digital health technologies
- Managed and financed by PAVmed
- PAVmed stake = 80%
- Accepted into Microsoft for Startups
- PAVmed Stake = 80%
- Target commercialization H2-2022

Source: Company reports.

Exhibit 3: Lucid Diagnostics Overview (as of October 2021)



Commercial-Stage Cancer Prevention Medical Diagnostics Company

- Founded May 2018 to license technologies underlying EsoGuard & EsoCheck from Case Western Reserve University
- ~\$25B total addressable market opportunity
- PAVmed paid ~\$50K cash, retained 82% equity
- Managed and financed by PAVmed
- ~\$30M invested over ~3.5 years
- Advanced EsoGuard & EsoCheck to commercialization
- Secured \$1,938 Medicare payment
- Nasdaq IPO October 14, 2021
- Raised \$70M in growth capital at \$467M IPO valuation
- PAVmed Stake pre-IPO 72.7%, post-IPO 75.5%

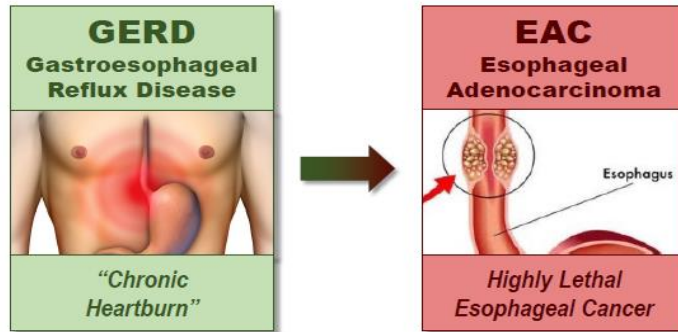


Source: Company reports.

Exhibit 4: Lucid Diagnostics



**Commercial-Stage Diagnostic Technology
Company Focused on Early Precancer Detection**



MISSION: Prevent EAC Deaths in At-Risk GERD Patients



First and only commercially available test capable of serving as a widespread screening tool to prevent EAC deaths through early detection of esophageal precancer in at-risk GERD patients



EsoGuard
esophageal DNA test



EsoCheck
cell collection device



Highlights


EsoGuard commercialized as Laboratory Developed Test (LDT)


First Lucid Test Centers launched and testing patients referred by PCPs


\$1938
Effective CMS Payment as of Jan 1st


EsoGuard & EsoCheck Granted FDA Breakthrough Device Designation


13 Million U.S. at-risk GERD patients already recommended for screening


Near-Term Value Inflection Milestones


Multi-Billion U.S. Total Addressable Market Opportunity

Source: Company reports.

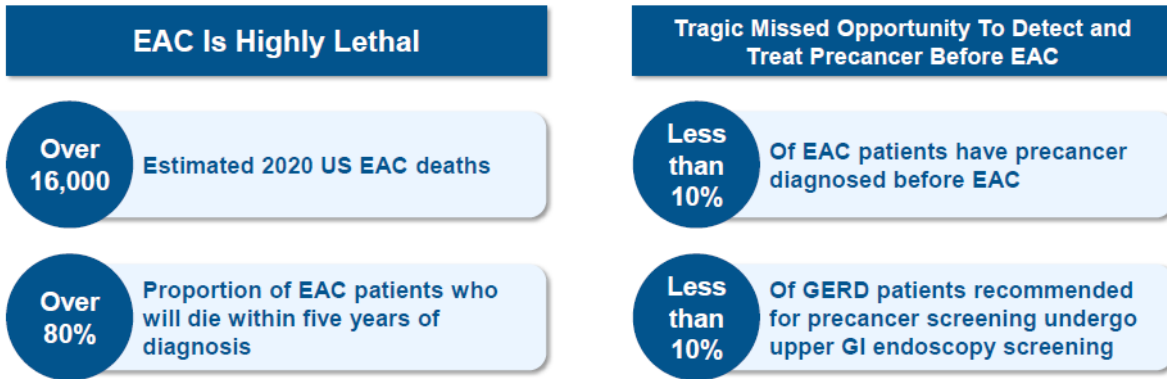
Exhibit 5: EsoCheck and EsoGuard Market Opportunity

EAC Precancer Screening to Prevent EAC

Major unmet clinical need

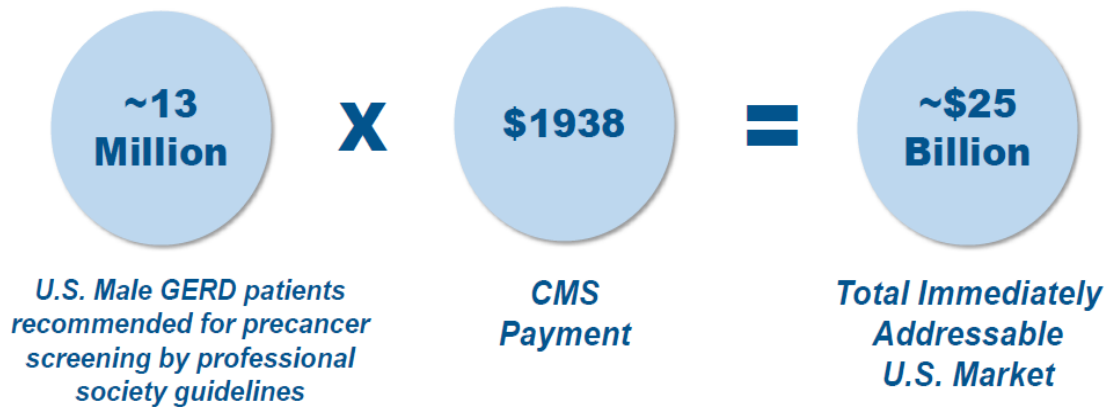
Necessary to prevent EAC deaths through early precancer detection

~13 million high-risk GERD patients already recommended for precancer screening by professional society guidelines



Increasing screening rate from <10% to 25% will prevent thousands of EAC deaths per year

EsoGuard Commercial Opportunity



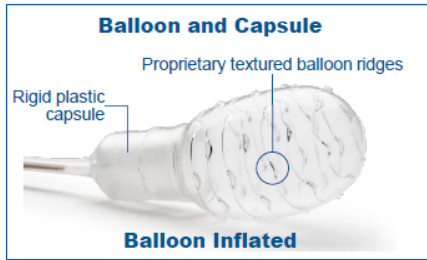
LONG-TERM EXPANDED MARKET OPPORTUNITIES	
U.S. Female GERD Patients	~18 Million patients
U.S. Silent GERD Patients	~30 Million patients



Source: Company reports.

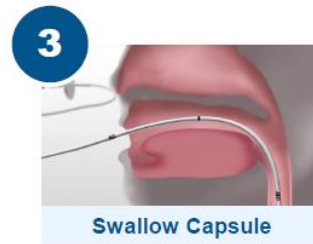
Exhibit 6: The EsoCheck Procedure

The EsoCheck Esophageal Cell Sampling Procedure



Less than 5-minute, non-invasive office-based alternative to endoscopy
Anatomically targeted cell sampling from lower 5 cm of esophagus where BE-EAC occurs
Protects sampled cells from dilution and contamination during device removal which is critical to accurately detect low-level precancer signal

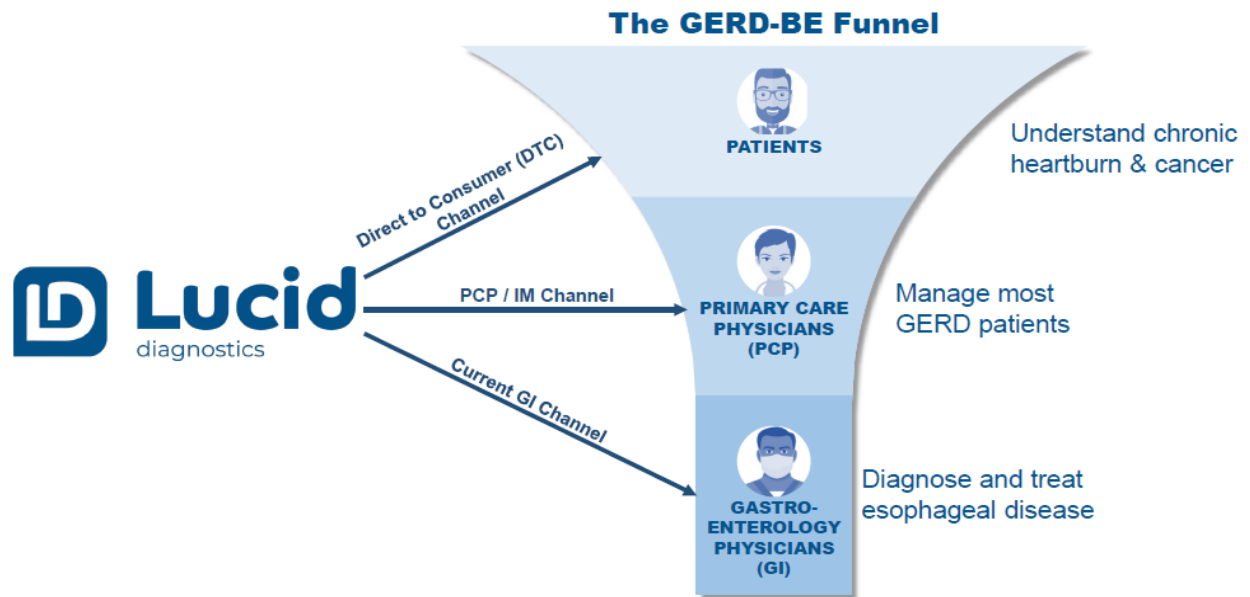
EsoCheck Procedure Steps



Source: Company reports.

Exhibit 7: Lucid Growth Strategy

Multichannel Commercial Strategy



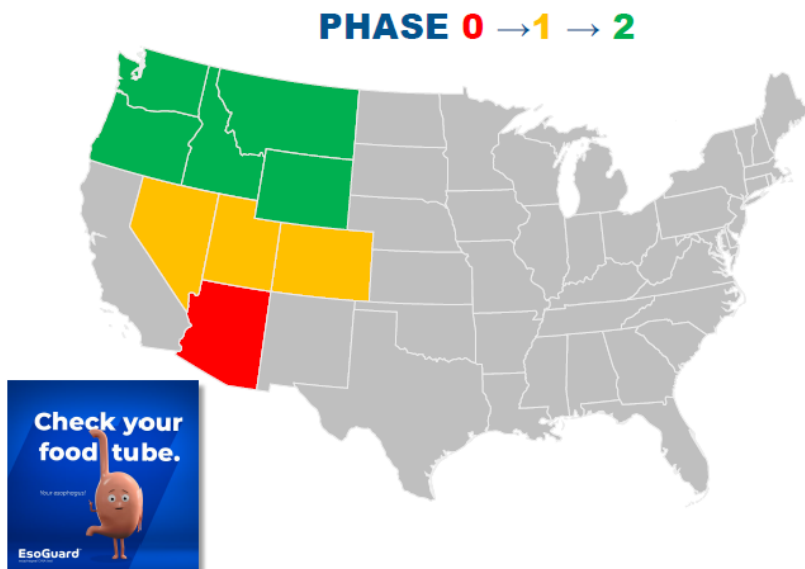
Lucid Growth Strategy



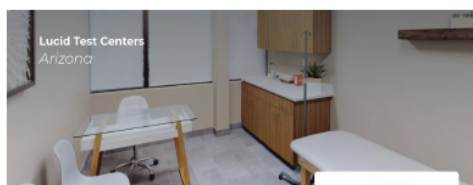
Source: Company reports.

Exhibit 8: Lucid Test Centers

Lucid Test Centers Early Phase Rollout



Lucid Test Centers



EsoGuard
esophageal DNA test

>90%
sensitivity & specificity
at detecting Barrett's esophagus,
with and without dysplasia, as well as
esophageal adenocarcinoma



A new test for early detection of precursors of esophageal cancer

While reflux is common, your patients may not know that chronic GERD can lead to BE and EAC. The EsoGuard esophageal DNA test detects the cellular changes caused by reflux.

How it works: distal esophageal cells are sampled using a simple, non-endoscopic, five-minute, office-based procedure, shipped in the provided preservative and mailer, and analyzed at our lab. Binary results (positive or negative) are available within a few weeks.

Who should be considered for testing?

2016 American College of Gastroenterology Guidelines recommends screening in high-risk GERD patients:

Individuals >50 years old with chronic GERD (>5 years) and/or frequent (weekly or more) GERD symptoms

- plus two additional risk factors:
- Caucasian
 - Male
 - Central Obesity
 - Past or Present History of Smoking
 - Family History of BE or EAC

Patients may be referred to Lucid Test Centers:

9700 N 81st St, suite A-115
Scottsdale, AZ 85258

4424 W Peoria Ave Ste 115A
Glendale, AZ 85302

1845 E Broadway Rd Ste 116
Tempe, AZ 85282

For prescribing information call:
(623) 687-2386

Estimated Quarterly Operating Costs	Nurse Practitioner	\$30,000
	Medical Assistant	\$12,500
	Lease, Other	\$2,500
	Total	\$45,000
Procedure	Max tests per day	20
	Billed rate per test	\$2,000
Revenue Opportunity	Daily	\$40,000
	Weekly	\$200,000
	Quarterly	\$2,600,000
	Break even	1.7 tests / week

Over 90% EsoGuard Estimated Gross Margin at Volume

Source: Company reports.

Exhibit 9: Q4 and Recent Business Highlights

- The Company reported solid EsoGuard commercialization progress with excellent traction and robust growth in EsoGuard testing volume. Lucid processed 303 commercial EsoGuard tests in the fourth quarter of 2021, which represents an approximately 50% increase sequentially from the third quarter and a nearly 200% increase annually from the fourth quarter of 2020. This growth has continued into the new year, both in referrals to Lucid Test Centers and tests performed at gastroenterology and foregut surgeon practices.
- The Lucid Test Center program has completed its first stage, having advanced from a pilot program in Phoenix, launched in the third quarter of 2021, to a regional Southwest and Pacific Northwest program also covering Denver, Salt Lake City, Las Vegas, Seattle, Portland, and Boise. The Company reported that its experience with the test centers over the past six months has validated the test center model as a key driver of EsoGuard testing volume by simplifying the engagement of its sales reps with primary care physicians. Lucid is now in the process of launching the next stage of its Lucid Test Center program, with accelerated expansion into larger states across the nation. It has hired an experienced Director or Clinical Services who will oversee this expansion. The Company is also continuing the pilot of its EsoGuard Telemedicine Program, operated in partnership with independent third-party telemedicine provider UpScript, which launched in December 2021. It has pursued a direct-to-consumer advertising program on a limited pilot basis in Phoenix.
- The Company reported significant expansion of its sales infrastructure and operations during the fourth quarter and recent months. The team, led by its national VP of sales, now consists of three area directors covering the East, Central and West respectively, six market development managers, ten sales representatives, and several sales operations staff. The company expects the overall sales team to double in size and the number of sales reps to triple by the end of the calendar year. The company also reported substantial progress in honing its data and analytics driven sales process and intensive sales training to drive commercial success.
- Last month the Company announced that LucidDx Labs, a wholly-owned subsidiary of Lucid, had acquired certain licenses and other related assets from its long time CLIA laboratory partner, Research Dx, which allowed it to operate own new CLIA-certified, CAP-accredited clinical laboratory in Lake Forest, CA. The Laboratory has completed the necessary assay validations to process clinical samples as a Laboratory Developed Test (LDT), completed a College of American Pathologists (CAP) audit, and begun performing EsoGuard testing at the new facility.
- In conjunction with it taking over the laboratory and fully controlling the EsoGuard billings and collection process, the Company has been able to upgrade our revenue cycle management provider and simplify the billing and collections process it had to utilize as a partner of a third-party commercial laboratory. It is now in position to start submitting Medicare claims using the effective \$1938 Medicare payment rate. The Company continues to wait for Medicare Administrative Contractor Palmetto GBA's MoIDx program to issue a draft local coverage determination (LCD) following an encouraging Contractor Advisory Committee (CAC) meeting in the fall.
- The laboratory has been submitting claims to private payors and is encouraged that it has been receiving approximately \$1,150 per test representing approximately 60% out-of-network coverage. It reported that is reaching critical threshold of submitted and processed claims in certain locales which will allow it to begin having meaningful conversations with select private payors in these locales on in-network payment and coverage. It is expanding its market access team and collecting the critical clinical utility data to allow it to fully engage in these negotiations.
- In March 2022, both the PAVmed and Lucid board of directors approved entering into an intercompany license between PAVmed and Lucid such that Lucid will be granted the rights to commercialize EsoCure for the endoscopic treatment of late esophageal precancer (dysplastic Barrett's Esophagus), including a royalty arrangement whereby Lucid will pay PAVmed a 5% royalty on all EsoCure sales up to \$100 million per calendar year, and 8% above that threshold.
- In March 2022, both the PAVmed and Lucid board of directors approved entering into a purchase and sale of the CapNostics, LLC assets, including the Esophacap[®] non-endoscopic sponge-based esophageal cell collection device, from PAVmed to Lucid as well as transferring the consulting agreement with the principal owner of CapNostics, LLC prior to the purchase by PAVmed on October 5, 2021.

Source: Company reports.

Exhibit 10: Lucid Diagnostics Inc. Stock Price (since IPO in October 2021)



Source: <https://bigcharts.marketwatch.com/>

Exhibit 11: Consensus Expectations (as of March 28, 2022)

	Revenue (mil)			EPS	
	2021E	2022E		2021E	2022E
Q1 Mar	\$0.0A	\$0.7E	Q1 Mar		\$(0.21)E
Q2 Jun	\$0.0A		Q2 Jun		
Q3 Sep	\$0.2A		Q3 Sep	\$(0.26)A	
Q4 Dec	\$0.4E		Q4 Dec	\$(0.20)E	
Total	\$0.5E	\$7.5E	Total	\$(1.37)E	\$(0.84)E

*Quarterly estimates may not add to annual estimates due to variations in contributing estimates and rounding.

Source: Company report, Refinitiv, and Ascendant Capital Markets estimates

FINANCIAL MODEL

Lucid Diagnostics Inc.

Income Statement (\$ mils)	2019	Jun-20	Sep-20	2020	Jun-21	Sep-21	Dec-21	2021	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023
Fiscal Year End: December 31	FY-A	Q1A & Q2A	Q3A	FY-A	Q1A & Q2A	Q3A	Q4A	FY-A	Q1E	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Total Revenue	0.000	0.000	0.000	0.000	0.000	0.200	0.300	0.500	0.400	0.600	1.200	3.800	6.000	4.000	4.200	4.400	5.400	18.000
Cost of Revenues	0.000	0.000	0.000	0.000	0.000	0.144	0.441	0.585	0.220	0.300	0.540	1.520	2.580	1.600	1.470	1.540	1.620	6.230
Gross Profit	0.000	0.000	0.000	0.000	0.000	0.056	(0.141)	(0.085)	0.180	0.300	0.660	2.280	3.420	2.400	2.730	2.860	3.780	11.770
Sales and marketing	0.000	0.336	0.335	1.305	1.710	0.978	2.571	5.260	3.000	3.000	3.000	3.000	12.000	3.200	3.300	3.400	4.000	13.900
General and administrative	0.959	0.790	0.470	1.532	4.334	3.398	5.047	12.778	4.500	4.500	4.500	4.500	18.000	5.000	5.000	5.000	5.000	20.000
Research and development	3.462	2.401	1.216	5.443	3.625	2.190	3.482	9.296	3.000	3.000	3.000	3.000	12.000	3.000	3.000	3.000	3.000	12.000
Restructuring and other	0.000			0.000				0.000					0.000					0.000
Total operating expenses	4.421	3.527	2.022	8.280	9.669	6.566	11.100	27.334	10.500	10.500	10.500	10.500	42.000	11.200	11.300	11.400	12.000	45.900
Operating income (loss)	(4.421)	(3.527)	(2.022)	(8.280)	(9.669)	(6.510)	(11.240)	(27.419)	(10.320)	(10.200)	(9.840)	(8.220)	(38.580)	(8.800)	(8.570)	(8.540)	(8.220)	(34.130)
Interest income (expense)	0.000			0.000	(0.147)	(0.447)	(0.065)	(0.659)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other income (expense)	0.000			0.000				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Income before income taxes	(4.421)	(3.527)	(2.022)	(8.280)	(9.816)	(6.957)	(11.306)	(28.078)	(10.320)	(10.200)	(9.840)	(8.220)	(38.580)	(8.800)	(8.570)	(8.540)	(8.220)	(34.130)
Income taxes	0.000			0.000				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Net income (loss)	(4.421)	(3.527)	(2.022)	(8.280)	(9.816)	(6.957)	(11.306)	(28.078)	(10.320)	(10.200)	(9.840)	(8.220)	(38.580)	(8.800)	(8.570)	(8.540)	(8.220)	(34.130)
Nonrecurring/noncash adjustments		0.033	0.016		3.535	3.219	3.542	10.296	2.000	2.000	2.000	2.000	8.000	2.000	2.000	2.000	2.000	8.000
Net income (pro forma)	(4.421)	(3.494)	(2.006)	(8.280)	(6.281)	(3.738)	(7.764)	(17.782)	(8.320)	(8.200)	(7.840)	(6.220)	(30.580)	(6.800)	(6.570)	(6.540)	(6.220)	(26.130)
EBITDA		(3.527)	(2.022)	(8.280)	(9.665)	(6.510)	(11.241)	(27.416)	(6.877)	(6.757)	(6.397)	(4.777)	(24.806)	(5.357)	(5.127)	(5.097)	(4.777)	(20.356)
Shares, Basic	14.1	14.1	14.1	14.1	14.1	14.1	34.9	18.6	37.4	37.9	38.4	38.9	38.2	39.4	39.9	40.4	40.9	40.2
Shares, Diluted	14.1	14.1	14.1	14.1	14.1	14.1	34.9	18.6	37.4	37.9	38.4	38.9	38.2	39.4	39.9	40.4	40.9	40.2
EPS Basic (pro forma)	(\$0.31)	(\$0.25)	(\$0.14)	(\$0.59)	(\$0.44)	(\$0.26)	(\$0.22)	(\$0.96)	(\$0.22)	(\$0.22)	(\$0.20)	(\$0.16)	(\$0.80)	(\$0.17)	(\$0.16)	(\$0.16)	(\$0.15)	(\$0.65)
EPS Diluted (pro forma)	(\$0.31)	(\$0.25)	(\$0.14)	(\$0.59)	(\$0.44)	(\$0.26)	(\$0.22)	(\$0.96)	(\$0.22)	(\$0.22)	(\$0.20)	(\$0.16)	(\$0.80)	(\$0.17)	(\$0.16)	(\$0.16)	(\$0.15)	(\$0.65)
Margins																		
Gross margin					28%	-47%	-17%	45%	50%	55%	60%	57%	60%	65%	65%	70%	65%	65%
Sales and marketing					489%	857%	1052%	750%	500%	250%	79%	200%	80%	79%	77%	74%	77%	77%
General and administrative					1699%	1682%	2556%	1125%	750%	375%	118%	300%	125%	119%	114%	93%	111%	111%
Research and development					1095%	1161%	1859%	750%	500%	250%	79%	200%	75%	71%	68%	56%	67%	67%
Operating margin	NM	NM	NM	NM	NM	-3255%	-3747%	-5484%	-2580%	-1700%	-820%	-216%	-643%	-220%	-204%	-194%	-152%	-190%
Tax rate, GAAP	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Net margin	NM	NM	NM	NM	NM	-3478%	-3769%	-5616%	-2580%	-1700%	-820%	-216%	-643%	-220%	-204%	-194%	-152%	-190%
Y/Y % change																		
Total Revenue													1100%	900%	600%	267%	42%	200%
Gross margin													1084%	-1720%	-4124%	1233%	810%	333%
Sales and marketing				#DIV/0!	408%	192%	#DIV/0!	303%					207%	17%	128%	7%	10%	13%
General and administrative					449%	622%	#DIV/0!	734%					41%	11%	11%	11%	11%	11%
Research and development					57%	51%	80%	#DIV/0!	71%				37%	-14%	29%	0%	0%	0%
Operating income (loss)					87%	174%	222%	#DIV/0!	231%				41%	-15%	-16%	-13%	0%	-12%
Net income (loss)					87%	178%	244%	#DIV/0!	239%				37%	-15%	-16%	-13%	0%	-12%
EPS Diluted (pro forma)					87%	80%	86%	#DIV/0!	63%				-23%	-28%	-16%	-22%	-24%	-21%

Source: Company reports and Ascendant Capital Markets estimates.
(Lucid Diagnostics Inc. is a majority-owned subsidiary of PAVmed Inc.)

Lucid Diagnostics Inc.

Balance Sheet (\$ mils)	Dec-19	Dec-20	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
Fiscal Year End: December 31	Q4A	Q4A	Q2A	Q3A	Q4A	Q1E	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Assets													
Cash and cash equivalents	0.156	0.111	2.231	0.021	53.656	45.955	38.337	31.116	25.478	19.297	13.308	4.840	(0.761)
Short term investments						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Accounts receivable				0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200	0.200
Deferred income taxes						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Prepaid expenses and other	0.234	1.329	1.844	2.283	3.447	3.447	3.447	3.447	3.447	3.447	3.447	3.447	3.447
Total current assets	0.391	1.440	4.075	2.505	57.303	49.602	41.984	34.763	29.125	22.944	16.955	8.487	2.886
Property and equipment, net					0.971	1.794	2.655	3.478	4.339	5.162	6.023	9.395	10.218
Intangibles, net						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Deferred income tax						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other	0.643	0.755	0.762	0.792	0.725	0.725	0.725	0.725	0.725	0.725	0.725	0.725	0.725
Total assets	1.034	2.195	4.837	3.296	58.999	52.121	45.364	38.966	34.189	28.831	23.704	18.606	13.829
Liabilities and stockholders' equity													
Accounts payable	0.799	2.058	1.540	2.841	1.490	1.490	1.490	1.490	1.490	1.490	1.490	1.490	1.490
Accrued expenses	0.224	0.394	0.369	0.308	1.113	1.113	1.113	1.113	1.113	1.113	1.113	1.113	1.113
Deferred income tax						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Due to PAVmed Inc.	5.320	13.261	22.878	24.282	1.657	1.657	1.657	1.657	1.657	1.657	1.657	1.657	1.657
Short term debt						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total current liabilities	6.343	15.713	24.787	27.431	4.260	4.260	4.260	4.260	4.260	4.260	4.260	4.260	4.260
Deferred income taxes						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Warrant liabilities						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other long term liabilities						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Long term debt						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total other liabilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Preferred stock						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Common stock	0.014	0.014	0.014	0.014	0.035	3.477	6.920	10.362	13.805	17.247	20.690	24.132	27.575
Additional paid-in capital	0.223	0.294	3.678	6.450	96.608	96.608	96.608	96.608	96.608	96.608	96.608	96.608	96.608
Retained earnings	(5.546)	(13.826)	(23.642)	(30.598)	(41.904)	(52.224)	(62.424)	(72.264)	(80.484)	(89.284)	(97.854)	#####	#####
Accumulated other comprehensive income						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Minority Interest						0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total stockholders' equity	(5.309)	(13.518)	(19.950)	(24.134)	54.739	47.861	41.104	34.706	29.929	24.571	19.444	14.346	9.569
Total stockholders' equity and liabilities	1.034	2.195	4.837	3.296	58.999	52.121	45.364	38.966	34.189	28.831	23.704	18.606	13.829

Balance Sheet Drivers

	Dec-19	Dec-20	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
	Q4A	Q4A	Q2A	Q3A	Q4A	Q1E	Q2E	Q3E	Q4E	Q1E	Q2E	Q3E	Q4E
Book & Cash Value (per share)													
Book Value per Share (diluted)	(0.38)	(0.96)	(1.41)	(1.71)	1.57	1.28	1.08	0.90	0.77	0.62	0.49	0.36	0.23
Cash per Share (diluted)	0.01	0.01	0.16	0.00	1.54	1.23	1.01	0.81	0.65	0.49	0.33	0.12	(0.02)
Net cash per Share (diluted)	0.01	0.01	0.16	0.00	1.54	1.23	1.01	0.81	0.65	0.49	0.33	0.12	(0.02)

Source: Company reports and Ascendant Capital Markets estimates
(Lucid Diagnostics Inc. is a majority-owned subsidiary of PAVmed Inc.)

Lucid Diagnostics Inc.

Cash Flow Statement (\$ mils)	2019	Jun-20	Sep-20	2020	Jun-21	Sep-21	Dec-21	2021	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023
Fiscal Year End: December 31	FY-A	Q1A & Q2A	Q3A	FY-A	Q1A & Q2A	Q3A	Q4A	FY-A	Q1E	Q2E	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Cash flow from operating activities																		
Net income	(4.421)	(3.527)	(2.022)	(8.280)	(9.816)	(6.957)	(11.306)	(28.078)	#####	#####	(9.840)	(8.220)	(38.580)	(8.800)	(8.570)	(8.540)	(8.220)	(34.130)
Depreciation				0.000	0.003	0.000	0.001	0.004	0.001	0.001	0.001	0.001	0.004	0.001	0.001	0.001	0.001	0.004
Amortization				0.000				0.000					0.000					0.000
Debt related amortization expense				0.000				0.000					0.000					0.000
Stock comp	0.174	0.033	0.016	0.065	3.384	2.772	3.442	9.599	3.442	3.442	3.442	3.442	13.770	3.442	3.442	3.442	3.442	13.770
Deferred income taxes				0.000				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Change in fair value of warrant liability				0.000				0.000					0.000					0.000
Writedowns and impairments				0.000				0.000					0.000					0.000
Other gains/losses				0.000				0.000					0.000					0.000
Other				0.000				0.000					0.000					0.000
Changes in operating assets and liabilities:																		
Accounts receivable				0.000		(0.200)		(0.200)					0.000					0.000
Prepaid expenses & other curre	(0.877)	(0.510)	(0.370)	(1.094)	(0.515)	(0.439)	(1.133)	(2.088)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other assets				0.000				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Accounts payable	0.302	0.603	0.019	1.146	(0.518)	1.298	(1.446)	(0.665)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Accrued expenses	0.001	0.139	0.220	0.171	(0.026)	0.161	0.567	0.703	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Due to PAVmed	2.460	0.863	0.581	2.363	1.731	0.957	0.369	3.057	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other liabilities				0.000	0.147	0.224	(0.371)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Net cash (used in) provided by	(2.361)	(2.398)	(1.555)	(5.629)	(5.609)	(2.182)	(9.877)	(17.668)	(6.877)	(6.757)	(6.397)	(4.777)	(24.806)	(5.357)	(5.127)	(5.097)	(4.777)	(20.356)
Cash flow from investing activities																		
Purchases of property and equipment				0.000	(0.010)	(0.028)	(0.824)	(0.862)	(0.824)	(0.862)	(0.824)	(0.862)	(3.372)	(0.824)	(0.862)	(3.372)	(0.824)	(5.882)
Purchases of short-term investments				0.000				0.000					0.000					0.000
Acquisitions				0.000				0.000					0.000					0.000
Other				0.000				0.000					0.000					0.000
Net cash used in investing acti	0.000	0.000	0.000	0.000	(0.010)	(0.028)	(0.824)	(0.862)	(0.824)	(0.862)	(0.824)	(0.862)	(3.372)	(0.824)	(0.862)	(3.372)	(0.824)	(5.882)
Cash flow from financing activities																		
Issuance of debt				0.000				0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Repayment of debt				0.000				0.000					0.000					0.000
Issuance of stock				0.000			64.336	64.336	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Proceeds from stock option exercises		0.005		0.005				0.000					0.000					0.000
Other	2.500	2.903	1.076	5.579	7.739		(0.001)	7.738					0.000					0.000
Dividends and distributions				0.000				0.000					0.000					0.000
Cash provided by (used in) fina	2.500	2.908	1.076	5.583	7.739	0.000	64.335	72.074	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Effect of exchange rate on cash				0.000				0.000					0.000					0.000
Net increase (decrease) in cash	0.139	0.510	(0.480)	(0.045)	2.120	(2.210)	53.635	53.545	(7.701)	(7.619)	(7.221)	(5.639)	(28.178)	(6.181)	(5.989)	(8.469)	(5.601)	(26.239)
Beginning cash and equivalents	0.018	0.156	0.666	0.156	0.111	2.231	0.021	0.111	53.656	45.955	38.337	31.116	53.656	25.478	19.297	13.308	4.840	25.478
Ending cash and equivalents	0.156	0.666	0.187	0.111	2.231	0.021	53.656	53.656	45.955	38.337	31.116	25.478	25.478	19.297	13.308	4.840	(0.761)	(0.761)

Source: Company reports and Ascendant Capital Markets estimates
(Lucid Diagnostics Inc. is a majority-owned subsidiary of PAVmed Inc.)

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Lucid Diagnostics Inc.

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Ascendant Capital Markets, LLC Rating System

BUY: We expect the stock to provide a total return of 15% or more within a 12-month period.

HOLD: We expect the stock to provide a total return of negative 15% to positive 15% within a 12-month period.

SELL: We expect the stock to have a negative total return of more than 15% within a 12-month period.

Total return is defined as price appreciation plus dividend yield.

Ascendant Capital Markets, LLC Rating System

Prior to January 31, 2014, ASCM used the following rating system:

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Sell: We expect the stock to provide a total return of minus 10% or worse within a 12-month period.

Speculative Buy: This rating is reserved for companies we believe have tremendous potential, but whose stocks are illiquid or whose equity market capitalizations are very small, often in the definition of a nano cap (below \$50 million in market cap). In general, for stocks ranked in this category, we expect the stock to provide a total return of 50% or more within a 12-month period. However, because of the illiquid nature of the stock's trading and/or the nano cap nature of the investment, we caution that these investments may not be suitable for all parties.

Total return is defined as price appreciation plus dividend yield.

Ascendant Capital Markets, LLC Distribution of Investment Ratings (as of January 15, 2022)

Rating	Count	Percent	Investment Banking Services Past 12 months	
			Count	Percent
Buy	40	98%	16	40%
Hold	0	0%	0	0%
Sell	1	2%	0	0%
Total	41	100%	16	39%

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